

RESOLUTION
EZDC-2004-01

**APPROVING AND ADOPTING BYLAWS AND APPOINTING
OFFICERS TO THE CITY OF SAN ANTONIO, TEXAS
EMPOWERMENT ZONE DEVELOPMENT CORPORATION.**

* * * * *

WHEREAS, on January 16, 2002, the City of San Antonio (the "City") was selected as one of eight U.S. cities to receive designation as a Round III Urban Empowerment Zone (the "Zone") from the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, the Internal Revenue Code provides for federal tax incentives that may be utilized by a Zone designee as economic development tools to promote private sector investment in targeted areas of the City and provide employment for economically disadvantaged Zone residents; and

WHEREAS, the City Council of the City of San Antonio authorized the creation of the San Antonio, Texas Empowerment Zone Development Corporation (the "EZDC"), by *Resolution No. 2004-22-13* passed and approved on June 3, 2004, as a legal entity for the purpose of reviewing and considering applications for Zone projects and issuing tax-exempt Empowerment Zone Facility Bonds (the "Bonds") on behalf of the City of San Antonio to qualifying businesses that meet location, operational, and credit criteria for capital projects of sufficient cost to justify going to the public bond market; and

WHEREAS, on that date, the City Council also approved the proposed Bylaws for the EZDC and Articles of Incorporation, copies of which are attached as Exhibits I and II, respectively; and

WHEREAS, the Articles of Incorporation for the EZDC were filed with, and a Certificate of Incorporation was issued by, the Secretary of State of the State of Texas on June 18, 2004; and

WHEREAS, in order to execute, and in accordance with the provisions of, these Bylaws, the EZDC must first appoint a President of the Board of Directors who, with the Secretary, will sign the Bylaws on behalf of the EZDC; and

WHEREAS, a Vice President must also be selected in accordance with the Bylaws provisions; and

WHEREAS, the Bylaws further provide that the City Council serves as the permanent Board of Directors for the EZDC with the Director of the Economic Development Department serving as Executive Director, the City Clerk as Secretary and the City Finance Director as Treasurer; and

WHEREAS, in order to further the interests of the City and accomplish the purpose of the EZDC, it is hereby found and determined by the Board of Directors for the EZDC that it is necessary and advisable to approve and adopt the attached Bylaws; and

WHEREAS, in keeping with these Bylaws, the Board of Directors of the EZDC desires, hereby finds and determines that it is necessary and advisable to appoint a President and Vice President to the EZDC Board of Directors; and

WHEREAS, all members of the Board of Directors of the EZDC were given at least three days' notice in writing stating the time and place of the meeting at which this Resolution would be considered, and such notice is hereby deemed to be in full compliance with the notice requirements for the organizational meeting of this Corporation as set forth in Section 394.022, Local Government Code; and

WHEREAS, it is hereby further found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code; **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY OF SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT CORPORATION:

SECTION 1. APPROVAL AND ADOPTION OF THE BYLAWS. The Board of Directors hereby approves and adopts the Bylaws of the City of San Antonio, Texas Empowerment Zone Development Corporation as attached hereto in Exhibit I.

SECTION 2. APPOINTMENT OF OFFICERS; AUTHORIZATION TO EXECUTE BYLAWS. The Board of Directors hereby appoints _____ and _____ to serve as the President and Vice President, respectively, of the Board of Directors for an initial term to expire on May 31, 2005. The Board further authorizes the Secretary and President to execute the approved Bylaws.

SECTION 3. INCORPORATION OF RECITALS. The Board of Directors hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the Board hereby incorporates such recitals as a part of this Resolution.

SECTION 4. SEVERABILITY. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and the Board of Directors hereby declares this Resolution would have been enacted without such invalid provision.

SECTION 5. EFFECTIVE DATE. This Resolution shall become effective immediately upon the passage of eight affirmative votes. In the event of less than eight affirmative votes, this Resolution shall be effective on and after the tenth day after passage hereof.

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***PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE CITY OF
SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT
CORPORATION THIS 24TH DAY OF JUNE, 2004.***



Attest:

President, City of San Antonio, Texas
Empowerment Zone Development Corporation

Secretary, City of San Antonio, Texas
Empowerment Zone Development Corporation

[EXECUTION PAGE TO EMPOWERMENT ZONE DEVELOPMENT CORPORATION RESOLUTION
ADOPTING BYLAWS AND APPOINTING OFFICERS]